

THIS ORDER IS SIGNED AND ENTERED.

Dated: April 11, 2023



Rachel Blise

**Hon. Rachel M. Blise
United States Bankruptcy Judge**

UNITED STATES BANKRUPTCY COURT
WESTERN DISTRICT OF WISCONSIN

In re:

JENNIFER McKINNEY AND
ISRAEL McKINNEY

Case No. 22-11558
Chapter 13
Hon. Rachel M Blise

Debtors.

ORDER RESOLVING MOTIONS AT ECF NOS. 97 AND 103

The Debtors moved for approval to sell a 2015 Land Rover, subject to a federal tax lien, and use the sale proceeds to purchase a replacement car. ECF No. 103. The United States of America, on behalf of the Internal Revenue Service (IRS), objected to the Debtors' request to use the sale proceeds. ECF No. 111.

The IRS moved for an order allowing it to offset a portion Debtor Israel McKinney's anticipated 2022 tax refund. ECF No. 97. The Debtors did not object to that motion.

The parties filed a stipulation resolving the above motions and any objections thereto. Consistent with that stipulation, IT IS HEREBY ORDERED:

1. The Debtors may sell the 2015 Land Rover for \$7,000 and use the sale proceeds (plus \$2,290) to purchase a replacement vehicle, specifically a 2007 Subaru Impreza (VIN JF1GD61677H511005), for a total of \$9,290;
2. The IRS will have a first position lien on the 2007 Subaru Impreza that the Debtors will purchase with the 2015 Land Rover sale proceeds; and
3. The IRS may offset Israel McKinney's entire 2022 tax refund, totaling \$12,059, and apply it to the Debtors' joint prepetition income tax liabilities as the IRS determines appropriate (which application shall not require reduction in the IRS's secured claim in this case because the tax overpayment was not factored into the secured claim amount under § 506(a)).

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